

LEGISLATURE OF NEBRASKA

ONE HUNDRED FIRST LEGISLATURE

FIRST SESSION

**LEGISLATIVE BILL 634**

Introduced by Mello, 5; Nordquist, 7.

Read first time January 21, 2009

Committee: Revenue

A BILL

1 FOR AN ACT relating to revenue and taxation; to amend section  
2 77-3504, Revised Statutes Cumulative Supplement, 2008;  
3 to redefine household income for homestead exemption  
4 purposes; to provide an operative date; and to repeal the  
5 original section.  
6 Be it enacted by the people of the State of Nebraska,

1           Section 1. Section 77-3504, Revised Statutes Cumulative  
2 Supplement, 2008, is amended to read:

3           77-3504 Household income means the total federal adjusted  
4 gross income, as defined in the Internal Revenue Code, plus (1) any  
5 Nebraska adjustments increasing the total federal adjusted gross  
6 income, and (2) any interest or dividends received by the owner  
7 regarding obligations of the State of Nebraska or any political  
8 subdivision, authority, commission, or instrumentality thereof to  
9 the extent excluded in the computation of gross income for federal  
10 income tax purposes, ~~and (3) any social security or railroad~~  
11 ~~retirement benefit to the extent excluded in the computation of~~  
12 ~~gross income for federal income tax purposes,~~ of the claimant  
13 and spouse, and any additional owners who are natural persons and  
14 who occupy the homestead, for the taxable year of the claimant  
15 immediately prior to the year for which the claim for exemption  
16 is made, less all medical expenses actually incurred and paid by  
17 the claimant, his or her spouse, or any owner-occupant which are  
18 in excess of four percent of household income calculated prior to  
19 the deduction for medical expenses. For purposes of this section,  
20 medical expenses means the costs of health insurance premiums and  
21 the costs of goods and services purchased from a person licensed  
22 under the Uniform Credentialing Act or a health care facility  
23 or health care service licensed under the Health Care Facility  
24 Licensure Act for purposes of restoring or maintaining health,  
25 including insulin and prescription medicine, but not including

1 nonprescription medicine.

2           Sec. 2. This act becomes operative on January 1, 2010.

3           Sec. 3. Original section 77-3504, Revised Statutes  
4 Cumulative Supplement, 2008, is repealed.